



UNITED STATES PATENT AND TRADEMARK OFFICE

Commissioner for Patents
United States Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450
www.uspto.gov

FITCH EVEN TABIN & FLANNERY
120 SOUTH LASALLE STREET
SUITE 1600
CHICAGO IL 60603-3406

COPY MAILED

AUG 07 2009

OFFICE OF PETITIONS

| | | |
|--------------------------------|---|---------------------------|
| In re Patent No. 7,498,050 | : | |
| Carrie Melinda Kincaid, et al. | : | DECISION ON REQUEST FOR |
| Issue Date: March 3, 2009 | : | RECONSIDERATION OF PATENT |
| Application No. 10/736,037 | : | TERM ADJUSTMENT & NOTICE |
| Filed: December 15, 2003 | : | OF INTENT TO ISSUE |
| Attorney Docket No. 1410-77005 | : | CERTIFICATE OF CORRECTION |

This is a decision on the "APPLICATION FOR PATENT TERM ADJUSTMENT UNDER C.F.R. §1.705(d)," filed May 1, 2009, requesting that the patent term adjustment determination for the above-identified patent be reviewed and changed from three hundred ninety-nine (399) days to six hundred sixty-two (662) days.

The request for review of the determination of patent term adjustment (PTA) is **granted** to the extent indicated herein.

The patent term adjustment indicated in the patent is to be corrected by issuance of a certificate of correction showing a revised Patent Term Adjustment of **three hundred ninety-three (393)** days.

Patentees are given **THIRTY (30) DAYS or ONE (1) MONTH, whichever is longer**, from the mail date of this decision to respond. No extensions of time will be granted under § 1.136.

On March 3, 2009, the above-identified application matured into U.S. Patent No. 7,498,050 with a patent term adjustment of 399 days. This request for reconsideration of patent term adjustment was timely filed within two months of the issue date of the patent. See 1.705(d).

The Office acknowledges submission of the \$200.00 fee set forth in 37 CFR 1.18(e). No additional fees are required.

Patentees request recalculation of the patent term adjustment to include a 269 day period of adjustment pursuant to 37 C.F.R. §1.703(b). Patentees maintain entitlement to a period of adjustment due to the Three Year Delay by the Office, pursuant to 37 CFR § 1.703(b), of 269 days and the period of adjustment due to other examination delay, pursuant to 37 CFR §1.702(a), of 604 days.

The 269 day period is calculated based on the application having been filed under 35 U.S.C. §111(a) on December 15, 2003, and a request for continued examination (RCE) having been filed in this application on September 11, 2007, three years and 269 days later. Patentees assert that in addition to this 269 day period, they are entitled to a period of adjustment due to examination delay, pursuant to 37 CFR §1.702(a), of 604 days for the failure by the Office to mail at least one of a notification under 35 U.S.C. 132 not later than fourteen months after the date on which the application was filed under 35 U.S.C. 111(a), pursuant to § 1.702(a)(1). A first non-final Office action was mailed on October 12, 2006, 14 months and 604 days after the application was filed on December 15, 2003.

Under 37 CFR § 1.703(f), Patentees are entitled to a period of patent term adjustment equal to the period of delays based on the grounds set forth in 37 CFR §1.702 reduced by the period of time equal to the period of time during which Patentees failed to engage in reasonable efforts to conclude prosecution pursuant to 37 CFR §1.704. In other words, the period of Office delay reduced by the period of applicant delay.

Patentees state that pursuant to 37 CFR § 1.704(c)(8), the period of applicant delay should be increased by 6 days, from 205 days to 211 days, for the supplemental reply filed on May 1, 2008. Patentees are correct. A response to a non-final Office action was filed on April 25, 2008. On May 1, 2008, applicants filed a supplemental reply. The period of reduction is 6 days, counting the number of days in the period beginning on April 26, 2008, the date after the initial reply was filed, and ending on May 1, 2008, the date that the supplemental reply was filed.

Patentees do not dispute that the total period of Office delay is the sum of the period of Three Years Delay (269 days) and the period of Examination Delay (604 days) to the extent that these periods of delay are not overlapping. However, in effect,

Patentees contend that no portion of the Three Year Delay period overlaps with the period of 14 month examination delay. Accordingly, Patentees submit that the total period of adjustment for Office delay is 873 days, which is the sum of the period of Three Year Delay (269 days) and the period of Examination Delay (604 days), reduced by the period of overlap (0 days).

As such, Patentees assert entitlement to a patent term adjustment of 662 days (269 + 604 reduced by 0 overlap - 211 (applicant delay)).

The Office agrees that as of the filing of the RCE on September 11, 2007, the application was pending 3 years and 269 days after its filing date. The Office agrees that the action detailed above was not taken within the specified time frame, and thus, the entry of a period of adjustment of 604 days is correct. At issue is whether Patentees should accrue 269 days of patent term adjustment for the Office taking in excess of three years to issue the patent, as well as, 604 days for Office failure to take a certain action within a specified time frame (or examination delay).

The Office contends that 269 days overlap. Patentees' calculation of the period of overlap is inconsistent with the Office's interpretation of this provision. 35 U.S.C. 154(b)(2)(A) limits the adjustment of patent term, as follows:

to the extent that the periods of delay attributable to grounds specified in paragraph (1) overlap, the period of any adjustment granted under this subsection shall not exceed the actual number of days the issuance of the patent was delayed.

Likewise, 37 CFR 1.703(f) provides that:

To the extent that periods of delay attributable to the grounds specified in §1.702 overlap, the period of adjustment granted under this section shall not exceed the actual number of days the issuance of the patent was delayed.

As explained in *Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark Office Interpretation of 35 U.S.C. 154(b)(2)(A)*, 69 Fed. Reg. 34283 (June 21, 2004), the Office

interprets 35 U.S.C. 154(b)(2)(A) as permitting either patent term adjustment under 35 U.S.C. 154(b)(1)(A)(i)-(iv), or patent term adjustment under 35 U.S.C. 154(b)(1)(B), but not as permitting patent term adjustment under both 35 U.S.C. 154(b)(1)(A)(i)-(iv) and 154(b)(1)(B). Accordingly, the Office implements the overlap provision as follows:

If an application is entitled to an adjustment under 35 U.S.C. 154(b)(1)(B), the entire period during which the application was pending (except for periods excluded under 35 U.S.C. 154(b)(1)(B)(i)-(iii)), and not just the period beginning three years after the actual filing date of the application, is the period of delay under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay overlap under 35 U.S.C. 154(b)(2)(A). Thus, any days of delay for Office issuance of the patent more than 3 years after the filing date of the application, which overlap with the days of patent term adjustment accorded prior to the issuance of the patent will not result in any additional patent term adjustment. See 35 U.S.C. 154(b)(1)(B), 35 U.S.C. 154(b)(2)(A), and 37 CFR § 1.703(f). See *Changes to Implement Patent Term Adjustment Under Twenty Year Term; Final Rule*, 65 Fed. Reg. 56366 (Sept. 18, 2000). See also *Revision of Patent Term Extension and Patent Term Adjustment Provisions; Final Rule*, 69 Fed. Reg. 21704 (April 22, 2004), 1282 Off. Gaz. Pat. Office 100 (May 18, 2004). See also *Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark Office Interpretation of 35 U.S.C. 154(b)(2)(A)*, 69 Fed. Reg. 34283 (June 21, 2004).

The current wording of § 1.703(f) was revised in response to the misinterpretation of this provision by a number of Patentees. The rule was slightly revised to more closely track the corresponding language of 35 U.S.C. 154(b)(2)(A). The relevant portion differs only to the extent that the statute refers back to provisions of the statute whereas the rule refers back to sections of the rule. This was not a substantive change to the rule nor did it reflect a change of the Office's interpretation of 35 U.S.C. 154(b)(2)(A). As stated in the *Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark Office Interpretation of 35 U.S.C. 154(b)(2)(A)*, the Office has consistently taken the position that if an application is entitled to an adjustment under the three-year pendency provision of 35 U.S.C. 154(b)(1)(B), the entire period during

which the application was pending before the Office (except for periods excluded under 35 U.S.C. 154(b)(1)(B)(i)-(iii)), and not just the period beginning three years after the actual filing date of the application, is the relevant period under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay "overlap" under 35 U.S.C. 154(b)(2)(A).

This interpretation is consistent with the statute. Taken together the statute and rule provide that to the extent that periods of delay attributable to grounds specified in 35 U.S.C. 154(b)(1) and in corresponding §1.702 overlap, the period of adjustment granted shall not exceed the actual number of days the issuance of the patent was delayed. The grounds specified in these sections cover the A) guarantee of prompt Patent and Trademark Office responses, B) guarantee of no more than 3 year application pendency, and C) guarantee or adjustments for delays due to interference, secrecy orders and appeals. A section by section analysis of 35 U.S.C. 154(b)(2)(A) specifically provides that:

Section 4402 imposes limitations on restoration of term. In general, pursuant to [35 U.S.C.] 154(b)(2)(A)-(C), total adjustments granted for restorations under [35 U.S.C. 154](b)(1) are reduced as follows: (1) To the extent that there are multiple grounds for extending the term of a patent that may exist simultaneously (e.g., delay due to a secrecy order under [35 U.S.C.] 181 and administrative delay under [35 U.S.C.] 154(b)(1)(A)), the term should not be extended for each ground of delay but only for the actual number of days that the issuance of a patent was delayed; See 145 Cong. Rec. S14,718¹

As such, the period for over 3 year pendency does not overlap only to the extent that the actual dates in the period beginning three years after the date on which the application was filed overlap with the actual dates in the periods for failure of the Office to take action within specified time frames. In other words, consideration of the overlap does not begin three years after the filing date of the application.

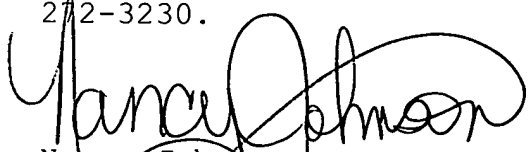
¹ The AIPA is title IV of the Intellectual Property and Communications Omnibus Reform Act of 1999 (S. 1948), which was incorporated and enacted as law as part of Pub. L. 106-113. The Conference Report for H.R. 3194, 106th Cong. 1st Sess. (1999), which resulted in Pub. L. 106-113, does not contain any discussion (other than the incorporated language) of S. 1948. A section-by-section analysis of S. 1948, however, was printed in the Congressional Record at the request of Senator Lott, See 145 Cong. Rec. S14,708-26 (1999) (daily ed. Nov. 17, 1999).

In this instance, the relevant period under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay "overlap" under 35 U.S.C. 154(b)(2)(A) is the entire period during which the application was pending before the Office, December 15, 2003, as terminated by the filing of the RCE on September 11, 2007. 604 days of patent term adjustment were accorded prior to the issuance of the patent for the Office failing to respond within a specified time frame during the pendency of the application. All of the 269 days for Office delay in issuing the patent overlap with the 604 days of Office delay. During that time, the issuance of the patent was delayed by 604 days, not 604 + 269 days. The Office took 14 months and 604 days to issue a first Office action. Otherwise, the Office took all actions set forth in 37 C.F.R. § 1.702(a) within the prescribed timeframes. Nonetheless, given the initial 604 days of Office delay and the 211 days of applicant delay and the time allowed within the time frames for processing and examination, as of the filing date of the RCE, the application was pending three years and 269 days. The Office did not delay 604 days and then an additional 269 days. Accordingly, 604 days of patent term adjustment (not 604 and 269 days) was properly entered since the period of delay of 269 days attributable to the delay in the issuance of the patent overlaps with the adjustment of 604 days attributable to grounds specified in § 1.702(a)(1). Entry of both periods is not warranted. 604 days is determined to be the actual number of days that the issuance of the patent was delayed, considering the 269 days over three years to the filing of the RCE.

In view thereof, the patent should have issued with a revised Patent Term Adjustment of **three hundred ninety-three (393)** days (604 days - 211 days).

The application file is being forwarded to the Certificates of Correction Branch for issuance of a certificate of correction in order to rectify this error. The Office will issue a certificate of correction indicating that the term of the above-identified patent is extended or adjusted by **three hundred ninety-three (393)** days.

Telephone inquiries specific to this matter should be directed to Shirene Willis Brantley, Senior Petitions Attorney, at (571) 272-3230.

A handwritten signature in black ink, appearing to read "Nancy Johnson". The signature is fluid and cursive, with the first name "Nancy" being more prominent than the last name "Johnson".

Nancy Johnson
Senior Petitions Attorney
Office of Petitions
Office of Deputy Commissioner
for Patent Examination Policy

Enclosure: copy of DRAFT certificate of correction

UNITED STATES PATENT AND TRADEMARK OFFICE
CERTIFICATE OF CORRECTION

PATENT : 7,498,050 B2

DATED : March 3, 2009

DRAFT

INVENTOR(S) : Kincaid et al.

It is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

On the cover page,

[*] Notice: Subject to any disclaimer, the term of this patent is extended or adjusted under 35 USC 154(b) by 399 days

Delete the phrase "by 399 days" and insert – by 393 days--